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**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D. C. 20554**

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Inquiry Concerning the Deployment of)
Advanced Telecommunications Capability)
to All Americans in a Reasonable and Timely)
Fashion, and Possible Steps to Accelerate)
Such Deployment Pursuant to Section 706)
of the Telecommunications Act of 1996)

CC Docket No. 98-146

**COMMENTS OF BELL COMMUNICATIONS RESEARCH, INC.
(BELLCORE) IN RESPONSE TO NOTICE OF INQUIRY**

Bell Communications Research, Inc. ("Bellcore") is pleased to provide brief comments in this proceeding. Bellcore develops, supports and provides advanced technology to a broad variety of service providers, equipment suppliers, users, and other customers in the areas of telecommunications service and data networking. Bellcore's customers are providing and utilizing broadband products and services, to varying degrees, to satisfy marketplace needs. However, broadband services today are not yet ubiquitous mass services. Bellcore urges the Commission to pursue regulatory policies that foster their growth, not only to support the needs and offerings that we are aware of today, but also to create opportunities for the future that may not yet be fully predictable.

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The Notice identifies a number of users of broadband services (consumers, schools, libraries, rural health care providers, rural residents, large organizations), and applications that would be supported by them (*e.g.*, video, Internet access, delivery of educational and health care information, delivery of information to rural areas). This list is a good starting point for consideration of public policy issues that relate to broadband, but it cannot be all-inclusive. If analogous development of personal computers and the Internet have demonstrated nothing else, they have demonstrated that the growth of new technologies can create new offerings and demand – in wholly unexpected ways. Bellcore urges the Commission to pursue technology-stimulating policies without keying them or limiting them to any one technology, or to the services we know of today.¹

Furthermore, these computer-based and data networking technologies and applications have grown in competitive, open-entry markets, free of utility regulation, and it is generally believed that their rate of growth has been very high because of this.^{2 3} While Bellcore believes that while the FCC should pattern future regulatory policies relating to broadband and other advanced telecommunications capabilities on this successful pattern of freedom from regulation, it may still prove necessary to assess some

¹ As the Commission suggests, Congress may have intended the meaning of “advanced telecommunications capability” to change over time.

² To be sure, computer-based and Internet-related businesses are subject to government requirements that can affect such businesses, but these are not unique to computers or the Internet and do not constitute regulation of computers or “Internet” applications as such. Examples of this would include securities requirements (SEC and state), consumer protection requirements (FTC and state), and regulation of underlying transport services.

³ Indeed, many nations that did not pursue procompetitive telecommunications policies and largely unregulated open-access Internet policies are moving now to emulate the United States.

new services and offerings on a case-by-case basis.⁴ The Telecommunications Act of 1996 provides a useful tool to provide such freedom – forbearance – which should be utilized. To the extent that enhanced services will be involved, under the Second Computer Inquiry such services are not regulated under Title II of the Act,⁵ and this similarly will promote competitive marketplace growth, free of unnecessary regulation.

In closing, Bellcore urges the Commission to have faith in the opportunities and capabilities that the technology will create, and pursue procompetitive, deregulatory policies that promote open entry and marketplace competition. The applications of broadband and advanced capabilities that are identified in the Notice are valuable ones, but there will undoubtedly be many others that cannot yet be predicted. Similarly, the broadband technologies referenced in the Notice are ones that may well be deployed, but there are a variety of other potential services and technologies – including symmetric and asymmetric broadband access to various data and video services, switched and unswitched data transport services, advanced packet switching services based on TCP/IP and other protocols, and asynchronous transfer mode (ATM) and synchronous transfer services – that may ultimately prove successful.

Bellcore recommends that the Commission take a long view, and pursue competition-promoting policies that enable all such services and technologies to be

⁴ For example, it may be inappropriate to forbear from regulating a service merely because it involves the Internet, *e.g.*, Internet telephony involving use of gateways at both ends and transport of a conventional telephone call over the Internet.

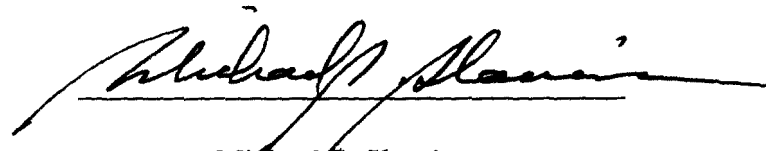
⁵ The Commission reserved the right to address enhanced services under Title I of the Communications Act, but it decided not to regulate enhanced services under the common carrier regulatory provisions of Title II (*e.g.*, entry and price regulation provisions).

offered by those willing to risk their acceptance in the marketplace, without keying its policies to particular technologies, services, users or uses. The marketplace can then determine which of them, and in what mixture, will be most valuable to the public.

Respectfully submitted,

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By:



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